



General Assembly

January Session, 2017

**Committee Bill No. 22**

LCO No. 4610



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Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:  
(INS)

***AN ACT LIMITING COST-SHARING FOR PRESCRIPTION DRUGS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-510 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective January 1, 2018*):

3 (a) No insurance company, hospital service corporation, medical  
4 service corporation, health care center or other entity delivering,  
5 issuing for delivery, renewing, amending or continuing an individual  
6 health insurance policy or contract that provides coverage for  
7 prescription drugs may:

8 (1) Require any person covered under such policy or contract to  
9 obtain prescription drugs from a mail order pharmacy as a condition  
10 of obtaining benefits for such drugs; [or]

11 (2) Impose a coinsurance, copayment, deductible or other out-of-  
12 pocket expense that exceeds one hundred dollars per thirty-day supply  
13 for a covered prescription drug, except that a high deductible health  
14 plan, as that term is used in subsection (f) of section 38a-493, shall not  
15 be subject to the deductible provision set forth in this subdivision until

16 after the minimum annual deductible for such plan has been met;

17 (3) Place all prescription drugs in a given class in the highest cost-  
18 sharing tier of a tiered prescription drug formulary; or

19 [(2)] (4) Require, if such insurance company, hospital service  
20 corporation, medical service corporation, health care center or other  
21 entity uses step therapy for such drugs, the use of step therapy for any  
22 prescribed drug for longer than sixty days. At the expiration of such  
23 time period, an insured's treating health care provider may deem such  
24 step therapy drug regimen clinically ineffective for the insured, at  
25 which time the insurance company, hospital service corporation,  
26 medical service corporation, health care center or other entity shall  
27 authorize dispensation of and coverage for the drug prescribed by the  
28 insured's treating health care provider, provided such drug is a  
29 covered drug under such policy or contract. If such provider does not  
30 deem such step therapy drug regimen clinically ineffective or has not  
31 requested an override pursuant to subdivision (1) of subsection (b) of  
32 this section, such drug regimen may be continued. For purposes of this  
33 section, "step therapy" means a protocol or program that establishes  
34 the specific sequence in which prescription drugs for a specified  
35 medical condition are to be prescribed.

36 (b) (1) Notwithstanding the sixty-day period set forth in subdivision  
37 [(2)] (4) of subsection (a) of this section, each insurance company,  
38 hospital service corporation, medical service corporation, health care  
39 center or other entity that uses step therapy for such prescription  
40 drugs shall establish and disclose to its health care providers a process  
41 by which an insured's treating health care provider may request at any  
42 time an override of the use of any step therapy drug regimen. Any  
43 such override process shall be convenient to use by health care  
44 providers and an override request shall be expeditiously granted when  
45 an insured's treating health care provider demonstrates that the drug  
46 regimen required under step therapy (A) has been ineffective in the  
47 past for treatment of the insured's medical condition, (B) is expected to

48 be ineffective based on the known relevant physical or mental  
49 characteristics of the insured and the known characteristics of the drug  
50 regimen, (C) will cause or will likely cause an adverse reaction by or  
51 physical harm to the insured, or (D) is not in the best interest of the  
52 insured, based on medical necessity.

53 (2) Upon the granting of an override request, the insurance  
54 company, hospital service corporation, medical service corporation,  
55 health care center or other entity shall authorize dispensation of and  
56 coverage for the drug prescribed by the insured's treating health care  
57 provider, provided such drug is a covered drug under such policy or  
58 contract.

59 (c) Nothing in this section shall (1) preclude an insured or an  
60 insured's treating health care provider from requesting a review under  
61 sections 38a-591c to 38a-591g, inclusive, or (2) affect the provisions of  
62 section 38a-492i.

63 Sec. 2. Section 38a-544 of the general statutes is repealed and the  
64 following is substituted in lieu thereof (*Effective January 1, 2018*):

65 (a) No insurance company, hospital service corporation, medical  
66 service corporation, health care center or other entity delivering,  
67 issuing for delivery, renewing, amending or continuing a group health  
68 insurance policy or contract that provides coverage for prescription  
69 drugs may:

70 (1) Require any person covered under such policy or contract to  
71 obtain prescription drugs from a mail order pharmacy as a condition  
72 of obtaining benefits for such drugs; [or]

73 (2) Impose a coinsurance, copayment, deductible or other out-of-  
74 pocket expense that exceeds one hundred dollars per thirty-day supply  
75 for a covered prescription drug, except that a high deductible health  
76 plan, as that term is used in subsection (f) of section 38a-520, shall not  
77 be subject to the deductible provision set forth in this subdivision until

78 after the minimum annual deductible for such plan has been met;

79 (3) Place all prescription drugs in a given class in the highest cost-  
80 sharing tier of a tiered prescription drug formulary; or

81 ~~[(2)]~~ (4) Require, if such insurance company, hospital service  
82 corporation, medical service corporation, health care center or other  
83 entity uses step therapy for such drugs, the use of step therapy for any  
84 prescribed drug for longer than sixty days. At the expiration of such  
85 time period, an insured's treating health care provider may deem such  
86 step therapy drug regimen clinically ineffective for the insured, at  
87 which time the insurance company, hospital service corporation,  
88 medical service corporation, health care center or other entity shall  
89 authorize dispensation of and coverage for the drug prescribed by the  
90 insured's treating health care provider, provided such drug is a  
91 covered drug under such policy or contract. If such provider does not  
92 deem such step therapy drug regimen clinically ineffective or has not  
93 requested an override pursuant to subdivision (1) of subsection (b) of  
94 this section, such drug regimen may be continued. For purposes of this  
95 section, "step therapy" means a protocol or program that establishes  
96 the specific sequence in which prescription drugs for a specified  
97 medical condition are to be prescribed.

98 (b) (1) Notwithstanding the sixty-day period set forth in subdivision  
99 ~~[(2)]~~ (4) of subsection (a) of this section, each insurance company,  
100 hospital service corporation, medical service corporation, health care  
101 center or other entity that uses step therapy for such prescription  
102 drugs shall establish and disclose to its health care providers a process  
103 by which an insured's treating health care provider may request at any  
104 time an override of the use of any step therapy drug regimen. Any  
105 such override process shall be convenient to use by health care  
106 providers and an override request shall be expeditiously granted when  
107 an insured's treating health care provider demonstrates that the drug  
108 regimen required under step therapy (A) has been ineffective in the  
109 past for treatment of the insured's medical condition, (B) is expected to

110 be ineffective based on the known relevant physical or mental  
111 characteristics of the insured and the known characteristics of the drug  
112 regimen, (C) will cause or will likely cause an adverse reaction by or  
113 physical harm to the insured, or (D) is not in the best interest of the  
114 insured, based on medical necessity.

115 (2) Upon the granting of an override request, the insurance  
116 company, hospital service corporation, medical service corporation,  
117 health care center or other entity shall authorize dispensation of and  
118 coverage for the drug prescribed by the insured's treating health care  
119 provider, provided such drug is a covered drug under such policy or  
120 contract.

121 (c) Nothing in this section shall (1) preclude an insured or an  
122 insured's treating health care provider from requesting a review under  
123 sections 38a-591c to 38a-591g, inclusive, or (2) affect the provisions of  
124 section 38a-518i.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2018</i>	38a-510
Sec. 2	<i>January 1, 2018</i>	38a-544

***Statement of Purpose:***

To limit coinsurance, copayments, deductibles and other out-of-pocket expenses imposed on insureds for prescription drugs.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: SEN. LOONEY, 11th Dist.

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